

Tax Credits

Businesses that accommodate people with disabilities may qualify for some of the following tax credits and deductions. Access the publications and forms directly from the IRS, or talk to an accounting professional to investigate how these credits benefit businesses.

Disabled Access Credit

The Disabled Access Credit provides a non-refundable credit for small businesses that incur expenditures for the purpose of providing access to persons with disabilities.

Architectural Barrier Removal Tax Deduction

The Architectural Barrier Removal Tax Deduction encourages businesses of any size to remove architectural and transportation barriers to the mobility of persons with disabilities and the elderly. Businesses may claim a deduction of up to \$15,000 a year for qualified expenses for items that normally must be capitalized. Businesses claim the deduction by listing it as a separate expense on their income tax return.

Work Opportunity Credit

The Work Opportunity Credit provides eligible employers with a tax credit up to 40 percent of the first \$6,000 of first-year wages of a new employee if the employee is part of a targeted group. An employee with a disability is one of the targeted groups for the Work Opportunity Credit, provided the appropriate government agencies have certified the employee as disabled.



For more detailed information visit the Internal Revenue Service at www.irs.gov and use keywords '[Tax Benefits for Businesses Who Have Employees with Disabilities.](#)'

A note about worker's compensation and health care costs

Workers compensation rates are based solely on the relative hazards of the operation and the organization's accident history, not on whether or not workers have disabilities. According to 2002 U.S. Equal Employment Opportunity Commission disability statistics, 73 percent of companies report no cost increases attributable to extending health, life, and/or disability coverage to employees or their dependents with disabilities.



For more information about worker's compensation and health costs related to employees who have disabilities, visit www.dli.mn.gov and search '[work comp](#)'.
Contact the Worker's Compensation Hotline at 1-800-DIAL-DLI (1-800-342-5354) ext. 2